

Agency Strategic Plan

Department of Accounts Transfer Payments

Department of Accounts – Transfer Payments

Agency Mission, Vision and Values

Mission Statement:

To provide financial assistance to the localities and to administer the Revenue Stabilization Fund, Virginia Education Loan Authority Reserve Fund, and the Line of Duty Act as required by the Code of Virginia.

Agency Vision:

To efficiently execute all distributions in a professional timely manner meeting all Code requirements.

Agency Values:

- **Accountability**
Acknowledging accountability for our actions.
- **Integrity**
Exhibiting integrity by maintaining the highest ethical standards and conduct our business accordingly.
- **Professionalism**
Conduct ourselves in a professional manner while applying knowledge, skills, and abilities producing work of the highest quality.
- **Innovation & Creativity**
Meeting the legal requirements imposed by state laws while maintaining our innovative and creative abilities leading towards better work products or processes
- **Training**
Training our customers and ourselves while striving to improve performance.

Agency Executive Progress Report

Current Service Performance

DOA is committed to excellence in all service areas. Processing all transfers and payments meeting all legal requirements imposed by state laws while maintaining our innovative and creative abilities leading towards better work products or processes.

Productivity

Major Initiatives and Related Progress

Virginia Ranking and Trends

Customer Trends and Coverage

Future Direction, Expectations, and Priorities

DOA will continue its excellence in all service areas. We will continue to Process all transfers and payments meeting all legal requirements imposed by state laws while maintaining our innovative and

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creative abilities leading towards better work products or processes. We believe that the number of transfers and payments will steadily increase in the future.

Impediments

DOA currently is having a very difficult time hiring adequate professional level staff when vacancies occur. This is particularly true in the area of accounting personnel, which is especially critical for the Department of Accounts since many of our positions fall into this area. This general shortage of accounting personnel is due in part to the enactment of Sarbanes/Oxley (SOX) legislation in the private sector. Since the enactment of SOX private sector firms have placed increased emphasis on ensuring that internal controls are in place. This has pushed accounting and auditing salaries higher and increase the demand for professional accounting staff. Adding to the difficulty is the general difficulty attracting qualified professionals to government employment. This is exacerbated by recent layoffs and salary stagnation.

DOA has an aging workforce. 23% of DOA's staff have enough years and age to be able to retire within 5 years. Another 7% are over the age of 60. These facts will require a succession/workforce planning effort in the next year to ensure that DOA can manage the loss of this vast amount of experience.

Agency Background Information

Statutory Authority

4.1-116 and 4.1-117 of the Code of Virginia requires the Comptroller to transfer the ABC net profits quarterly to the general fund of the Commonwealth and the appropriate amounts to the localities.

4.1-235 of the Code of Virginia requires the Comptroller to transfer the Wine tax quarterly in the appropriate amounts to the localities.

58.1-2658 and 58.1-2658.1 of the Code of Virginia requires the Comptroller to transfer the Rolling Stock Taxes yearly in the appropriate amounts to the localities.

58.1-815.1 and 58.1-816 of the Code of Virginia requires the Comptroller to transfer the Recordation Tax quarterly in the appropriate amounts to the localities.

15.2-5814, 15.2-5914, and 58.1-608.3 of the Code of Virginia requires the Comptroller to transfer the Sales Tax quarterly back to localities that have qualified facilities.

58-1-3406 of the Code of Virginia requires the Department of Accounts to allocate to qualifying localities payments made by the Tennessee Valley Authority instead of taxes.

2.2-1829 of the Code of Virginia requires the Comptroller to make payments into the Revenue Stabilization Fund yearly in amounts as certified by the Auditor of Public Accounts.

Chapter 951, 2005 Acts of Assembly, reaffirms Chapter 384, 1995 Acts of Assembly, and Chapter 39, 1998 Acts of Assembly to support the VELA reserve fund and the Edvantage Reserve fund.

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Title 9.1 Chapter 4 is known as the Line of Duty Act. This Act requires that death benefit and health insurance benefit payments be made to qualifying individuals.

Customer Base:

| Customers | Served | Potential |
|--|---------------|------------------|
| Line of Duty claimants – Death Benefits | 11 | |
| Line of Duty claimants – Health Insurance Benefits | 290 | |
| Localities – Tennessee Valley Authority | 6 | 6 |
| Localities – Recordation Tax | 134 | 134 |
| Localities – ABC net profits and Wine Tax | 324 | 324 |
| Localities – Rolling Stock | 210 | 210 |
| Localities – Sales Taxes for qualified facilities | 2 | 2 |
| Student Loan holder | 0 | 0 |

Anticipated Changes In Agency Customer Base:

As each year passes more individuals will qualify for benefits under the Line of Duty Act. This cumulatively increases the number of customers served in this area as the health insurance benefits are awarded to claimants and surviving spouses until death. Monthly health insurance premiums are paid for each individual.

Agency Products and Services:

Current Products and Services

All of the transfers to the localities are COV driven. It identifies the source of funds to be used and the methods to be used to make the distributions.

Line of Duty benefits are paid to qualifying individuals for a death benefit and/or health insurance benefits.

Factors Impacting Agency Products and Services

Any changes in the COV will impact the products offered. The ability to attract and retain proficient competent professional employees to administer the programs is key to the programs success.

Anticipated Changes in Agency Products and Services

The number of claimants/customers served by Line of Duty will increase each year. HB1738 will make an additional 80 claimants eligible for Line of Duty benefits.

Agency Financial Resources Summary:

All transfer payments made are funded through the general fund. Each payment has calculation methods defined in the Code of Virginia. Appropriations are given in the amounts to make the required payments.

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Line of Duty payments are funded through the general fund.

The only service that is not general funded is the VELA reserve fund which is supported by trust and agency funds.

| | <u>Fiscal Year 2007</u> | | <u>Fiscal Year 2008</u> | |
|---------------------|-------------------------|--------------------|-------------------------|--------------------|
| | General Fund | Nongeneral Fund | General Fund | Nongeneral Fund |
| Base Budget | \$244,038,177 | \$2,044,778 | \$246,709,389 | \$2,044,778 |
| Changes to Base | (\$181,936,113) | \$0 | (\$181,936,113) | \$0 |
| AGENCY TOTAL | \$62,102,064 | \$2,044,778 | \$64,773,276 | \$2,044,778 |

Agency Human Resources Summary:

Human Resources Overview

Currently the locality transfer payments are administered by General Accounting. VELA, Edvantage, and the Line of Duty Act are administered by Administration.

Full-Time Equivalent (FTE) Position Summary

Effective Date:
 Total Authorized Position level 0
 Vacant Positions 0
 Non-Classified 0
 Full-Time Classified (Filled) ... 0
 Part-Time Classified (Filled) ... 0
 Faculty (Filled) 0
 Wage 0
 Contract Employees 0
 Total Human Resource Level 0

Factors Impacting Human Resources

Anticipated Changes in Human Resources

Agency Information Technology Summary:

Current State / Issues

Factors Impacting Information Technology

Anticipated Changes / Desired State

Agency Information Technology Investments:

| | <u>Fiscal Year 2007</u> | | <u>Fiscal Year 2008</u> | |
|---------------------|-------------------------|-----------------|-------------------------|-----------------|
| | General Fund | Nongeneral Fund | General Fund | Nongeneral Fund |
| Base Budget | \$0 | \$0 | \$0 | \$0 |
| Changes to Base | \$0 | \$0 | \$0 | \$0 |
| SERVICE AREA | \$0 | \$0 | \$0 | \$0 |

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Agency Capital Investments Summary:

Current State / Issues

Factors Impacting Capital Investments

Capital Investment Alignment

Agency Goals

Goal #1:

Process transfers/payments in a timely and efficient manner meeting Code requirements.

Goal Summary and Alignment: